



BUDGET COMMITTEE

Judd Gregg, Ranking Member
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Senator Gregg: Rescission Authority Should be Used to Reduce Both Spending and the Deficit

Senator Judd Gregg (R-NH), ranking member of the Senate Budget Committee, today commented on the President's new legislative proposal, *Reduce Unnecessary Spending Act of 2010*. Senator Gregg proposed rescission language in 2009 and 2007 called *A Second Look at Wasteful Spending*.

"We are in the midst of a fiscal crisis when spending, borrowing and debt levels are at dangerous levels. While I am still reviewing the President's new proposal, I support the concept of rescission authority, a tool that allows Congress to take a second look at some of its spending in order to block wasteful items. However, it is critical that rescinded funds go for deficit reduction -- not put back on the table to be spent elsewhere."

A Second Look at Wasteful Spending Act of 2009, which Senator Gregg offered with Senator Joe Lieberman (I-CT) in March 2009, gave the President the opportunity to force Congress to take a second look at wasteful spending - including both discretionary spending and new mandatory spending - as well as targeted tax cuts. Had the 2009 Act been enacted, it would have allowed:

- The President can send Congress up to 4 rescission packages per year.
- Congress would be required to fast track the President's recommendation and consider it within 8 days.
- Unlike the previous 1996 line-item veto proposal, *A Second Look at Wasteful Spending* requires Congressional affirmation of the President's rescission package.
- Savings from rescissions passed by Congress must be used for deficit reduction.
- The Act sunsets after 6 years - giving Congress the ability to re-evaluate the merits of rescission authority after President Obama has had the opportunity to use.
- Allows any member to offer a motion to strike any proposed rescission of discretionary budget authority, an item of direct spending or a targeted tax benefit (with the support of 11 other senators).

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Links to 2009 and 2007 Budget Committee news releases:

<http://budget.senate.gov/republican/pressarchive/2009/2009-03-19SLAWProposal.pdf>

<http://budget.senate.gov/republican/pressarchive/2007/2007-01-10SLAWintropr.pdf>